



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

September 24, 2009

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name of the Chief Executive Officer.

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## **AMERICAN RECOVERY AND REINVESTMENT ACT UPDATE**

This memo is to provide a brief status report on recent key activities related to American Recovery and Reinvestment Act (ARRA) funding.

### **Executive Oversight Committee**

The Committee met on July 1, 2009 and August 26, 2009 and major topics of discussion were the continued research and application for ARRA funding by Departments, appropriate tracking and monitoring of ARRA funds and the use of the eCAPS ARRA reporting solution. Each project management committee provided a status report to the Committee as follows:

### **Capital Projects**

- Public Works is advertising ARRA related bids on [www.lacounty.gov](http://www.lacounty.gov);
- Public Works conducted vendor outreach to potential contractors at six seminars to explain the timeline of the County receiving ARRA funds and the process of becoming an approved County vendor; and
- Public Works has received bids on 26 separate projects totaling over \$42 million in construction related improvements.

### **Public Safety**

The Sheriff Department submitted an application for funding for port security on June 29, 2009. The amount of ARRA funding requested was \$1.7 million, which did not require a County match.

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The Fire Department has submitted applications to retrofit three fire stations for a total of \$15 million. Two of the applications have made it past the 2<sup>nd</sup> review stage and are strong candidates for funding.

### **Social Services**

The Workforce Stimulus Plan is well underway and has enrolled over 5,110 participants as of the end of August. Of this total, 4,000 youths have been placed into work experience job training including 338 foster youth and more than 1,200 CalWORKS participants. Approximately 1,110 participants have been enrolled in the Transitional Subsidized Employment Program which now has almost 400 new employers participating in the ARRA funded program.

The County continues to distribute direct funds to constituents in the form of increased food stamp allocations totaling an extra \$15 million in food stamps per month. At the request of the Board, a Request for Qualifications (RFQ) was released by the South Bay WIB (SBWIB) on July 9, 2009 and closed on July 30, 2009 to invited service providers to apply to provide employment services in the same capacity as a WorkSource Center, with specific focus on special populations and the private for-profit sector. The SBWIB is currently in the process of reviewing 13 RFQ submissions.

Finally, with regard to regional collaboration, the Local Workforce Investment Areas have agreed to develop a data management system to capture the impact of ARRA on a regional basis.

### **Environmental and Renewable/Energy**

The Internal Services Department (ISD) submitted an application on June 26, 2009 for the State Energy Program ARRA grant. The County of Los Angeles was previously notified it had received an allocation of \$15.4 million by formula for which an application was required. This funding will be used to support an AB 811 energy conservation program that creates a municipal financing loan program for "green improvements" by property owners. ISD produced a brochure and has been conducting outreach to local jurisdictions to garner support for the program. The Treasurer and Tax Collector has analyzed various funding models for the program.

ISD was informed that their joint application with Aeroenvironment Inc. for funding to purchase approximately 150 electric vehicles was not successful.

### **Health Services**

The County continues to wait for clarification from the State changes to the Federal Medical Assistance Percentages (FMAP) and other formula sources. Recently, the Federal Centers for Medicare & Medicaid Services released a State Medicaid Director Letter providing guidance to the State on the Medicaid Health Information Technology (HIT) incentive payment program established by ARRA. ARRA amended the Medicaid statute to provide 100 percent Federal

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Financial Participation (FFP) match for State expenditures for Medicaid provider incentive payments to encourage the adoption, implementation, and upgrade of certified Electronic Health Record (EHR) technology and for demonstration of meaningful use. The Recovery Act also established a 90 percent FFP match for State expenses for administration of incentive payments. At this time, it is unclear what the impact will be from of this Federal guidance at the local level. However, in anticipation of HIT funding, the Department of Health Services is actively aligning resources to ready an application as funding becomes available in 2010.

#### **Meeting with State Inspector General**

The State of California Inspector General Laura Chick met with CEO staff to discuss the County use of ARRA funds and the state of readiness for reporting. We briefed her on the work that was underway to make the County efforts a success and to proactively combat any fraud or waste of ARRA funding. Ms. Chick was happy with the progress made in data collection and reporting by the County team. She indicated that the County's level of readiness exceeded that of many jurisdictions.

#### **Departmental Reporting Guidelines**

On June 22, 2009 the Office of Management and Budget issued final guidance on the reporting requirements for ARRA which require the County to report on ARRA funds received by October 10, 2009. The guidance has proved valuable to the reporting workgroup comprised of the Auditor Controller, Children and Senior Services and ISD, who are structuring a centralized countywide reporting process. The workgroup thoroughly reviewed commercial reporting products that were compatible with eCAPS financial systems in conjunction with the Chief Information Officer. The workgroup selected Microsoft Stimulus 360 (MS360) software for use as the County reporting solution for ARRA funds. The Auditor-Controller has finished training the departments on the new Grants Lifecycle and Projects Modules in preparation for the new MS 360 solution. The workgroup is well underway with data integration and migration from eCAPS to MS 360 and expects to meet the reporting deadline of October 10, 2009.

If you have any questions, or require further information on this matter, please contact Ellen Sandt, Deputy Chief Executive Officer, at (213) 974-1186 or [esandt@ceo.lacounty.gov](mailto:esandt@ceo.lacounty.gov).

WTF:EFS  
SAW:ef

c: All Department Heads